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ABSTRACT

A series of tables is provided to identify the current tuition and fees structure of Rhode Island's public institutions of higher education: University of Rhode Island, Rhode Island College, and Rhode Island Junior College. These tables and tables showing tuition and fee structures among selected states provide the basis for a discussion of rationales for levying tuitions in public institutions and tuition policy alternatives. Alternatives include tuition to be charged: (1) as a proportion of the average citizen's ability to pay; (2) according to the individual student's ability to pay; (3) according to the student's program of study; (4) on a credit hour basis; (5) all public institutions would be the same; (6) according to the student's level; (7) as a proportion of instructional cost; and (8) on some combination of the seven options discussed above. (MJM)

ED104234

# REPORT OF THE INTERINSTITUTIONAL COMMITTEE ON TUITION AND FEE POLICY

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HE 006 356

The Committee gratefully acknowledges the assistance of Ms. Lola Gamba, Rhode Island College Economics Department, for the assembling and typing of the many drafts of this report.

Providence, Rhode Island

November, 1974

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# I.

## INTRODUCTION

The Inter-institutional Study Committee on Tuition and Fee Policy was established by the Commissioner of Education and charged to review the recommendation of the Working Document, Financing Higher Education in Rhode Island (October 1973) which called for "a policy on tuition and fees which aims toward maximum opportunity for citizens," and which removes "the discrepancy among the general fees at the three institutions."

The Committee was composed of representatives appointed by the presidents of the public institutions of higher education and representatives from the Department of Education appointed by the Commissioner of Education.

The Committee, over the last six months, in the process of conducting its work, made two reports to the Subcommittee for Postsecondary Education of the Board of Regents. During its deliberations, the Committee chose to modify its original charge principally by agreeing to identify a range of tuition policy options and limit its specific recommendations to technical matters. The options are preceded by a thorough review of existing tuition and fees, their changes over the last decade, and a discussion of rationales for levying tuitions in public institutions of postsecondary education.

II.

## EXISTING TUITION, FEES AND COSTS FOR PUBLIC HIGHER EDUCATION IN RHODE ISLAND

The present tuition and fee structures of Rhode Island's public institutions of higher education are complex. Not only do the levels of tuition vary among the three institutions, but the various non-tuition fees also differ among institutions both in their rate and their applicability. Tuition and fees vary not only among institutions but also within each institution according to student status.

Since no narrative statement could clearly describe the complex structures, a series of tables is provided to identify the current tuition and fee structures. Tables showing tuition and fee structures among selected states are provided. However, because of the complexities, the reader is cautioned against making inappropriate comparisons.

Instructional costs have only recently become available through R I P M, using cost-finding principles. The latest available cost information is provided in tabular form.

TABLE 1A

STUDENT CHARGES AT RHODE ISLAND PUBLIC HIGHER EDUCATION INSTITUTIONS, 1974-75

| Fee or Charge | Applies at: | | | Refundable at:[5] | | |
|---|---|---|---|---|---|---|
| 1. General Fee (Tuition) | URI | RIC | RIJC | URI | RIC | RIJC |
| 2. Out-of-state Surcharge | URI | RIC | -- | URI | RIC | |
| 3. Application Fee | URI | RIC | RIJC | -- | -- | -- |
| 4. Matriculation Fee | URI | -- | -- | -- | | |
| 5. Registration Fee | URI | -- | RIJC | -- | | -- |
| 6. Late Registration Fee | URI | RIC | RIJC | -- | -- | -- |
| 7. Late Scheduling Fee | -- | -- | RIJC | | | -- |
| 8. Course Drop Fee | URI | -- | -- | | | |
| 9. Continuous Registration Fee | URI | -- | -- | | | |
| 10. Continuing Student Fee | -- | RIC | -- | | | |
| 11. Thesis Binding Fee | URI | -- | -- | -- | | |
| 12. Dissertation Fee | URI | -- | -- | -- | | |
| 13. Diploma (Graduation) Fee | URI | RIC | -- | -- | -- | |
| 14. Laboratory Fee | -- | -- | RIJC | | | RIJC |
| 15. Applied Music Fee | URI | RIC | -- | URI | RIC | |
| 16. Student Activity Fee | URI | RIC | RIJC | URI | RIC | -- |
| 17. Student Union Fee | URI | RIC | RIJC(Knight) | URI | -- | -- |
| 18. Graduate Student Assessment[1] | URI | -- | -- | URI | | |
| 19. Student Athletic Fee | URI[2] | RIC | RIJC[3] | URI | -- | -- |
| 20. Dining Center Fee | -- | RIC | -- | | -- | |
| 21. Health Center Fee | URI | -- | -- | URI | | |
| 22. Accident & Sickness Ins. | URI | RIC | RIJC[4] | -- | -- | -- |
| 23. Room | URI | RIC | -- | URI | RIC | |
| 24. Board | URI | RIC | -- | URI | RIC | |

[1]A portion of this assessment is used for a student union fee and the balance for the graduate student association

[2]Included in the general fee at URI

[3]Included in the student activity fee at RIJC

[4]Accident insurance is required for some programs. Sickness insurance is not available at RIJC

[5]The refund policies vary among the three institutions as follows:

URI Starting from the first day of registration, the indicated charges are refundable to students who officially withdraw according to the following scale:

| | |
|---|---|
| First two weeks | 80% |
| Third week | 60% |
| Fourth week | 40% |
| Fifth week | 20% |
| After five weeks | none. |

RIC Starting from the end of registration, the indicated charges are refundable to students who officially withdraw according to the following scale:

| | |
|---|---|
| First two weeks | 80% |
| Third week | 60% |
| Fourth week | 40% |
| Fifth week | 20% |
| After five weeks | none. |

RIJC Starting from the first day of registration the indicated charges are refundable to students who officially withdraw according to the following scale:

| | |
|---|---|
| First week | 80% |
| Second week | 60% |
| Third week | 40% |
| Fourth week | 20% |
| After four weeks | none |

TABLE 18

PRESENT TUITION AND FEES AT THE UNIVERSITY OF RHODE ISLAND

| 1974-75 FEES<br>UNIVERSITY OF RHODE ISLAND | IN-STATE | | | | | | | | | | OUT-OF-STATE | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | UNDERGRADUATE | | | | | GRADUATE | | | | | UNDERGRADUATE | | | | | GRADUATE | | | | |
| | MAIN CAMPUS | | | EXTENSION | | MAIN CAMPUS | | | EXTENSION | | MAIN CAMPUS | | | EXTENSION | | MAIN CAMPUS | | | EXTENSION | |
| | AC. YEAR* | | S.S. | A.Y. | S.S. | AC. YEAR | | S.S. | A.Y. | S.S. | AC. YEAR | | S.S. | A.Y. | S.S. | AC. YEAR | | S.S. | A.Y. | S.S. |
| | F T | P T | | | | F T | P T | | | | F T | P T | | | | F T | P T | | | |
| Required: | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| General Fee(Tuition) | 614 | 25/c | 30/c | 23/c | 30/c | 630 | 30/c | 35/c | 27/c | 35/c | 614 | 25/c | 30/c | 23/c | 30/c | 630 | 30/c | 35/c | 27/c | 35/c |
| Registration Fee | | 16 | 8 | 16 | 8 | 10 | 10 | 8 | 16 | 8 | | 16 | 8 | 16 | 8 | 10 | 10 | 8 | 16 | 8 |
| Student Activity Tax | 29 | | | | | | | | | | 29 | | | | | | | | | |
| Memorial Union Fee | 55 | | | | | | | | | | 55 | | | | | | | | | |
| Accident & Sickness Ins. (optional) | 18.75 | | | | | 117 | 117 | | | | 18.75 | | | | | 117 | 117 | | | |
| Student Health Fee | 80 | | | | | | | | | | 80 | | | | | | | | | |
| Out-of-state Tuition (surcharge) | | | | | | | | | | | 900 | 35/c | 0 | 0 | 0 | 120 | 5/c | 0 | 0 | 0 |
| Graduate Student Assessment | | | | | | 40 | 1 | | | | | | | | | 40 | 1 | | | |
| Total | 796.75 | 16+25/c | 8+30/c | 16+23/c | 8+30/c | 797 | 128+30/c | 8+35/c | 16+27/c | 8+35/c | 1696.75 | 16+60/c | 8+30/c | 16+23/c | 8+30/c | 917 | 128+35/c | 8+35/c | 16+27/c | 8+35/c |
| Conditional: | | | | | | | | | | | | | | | | | | | | |
| Admission Application (once) | 12 | 12 | | 12 | | 12 | 12 | | 12 | | 12 | 12 | | 12 | | 12 | 12 | | 12 | |
| Matriculation (freshmen) | 25 | | | 10 | | | | | | | 25 | | | 10 | | | | | | |
| Room Size 1 | 550 | | 14/wk | | | | | | | | 550 | | 14/wk | | | | | | | |
| Room Size 2 | 650 | | 28/wk | | | | | | | | 650 | | 28/wk | | | | | | | |
| Meals: 15/wk/yr | 570 | | 25/wk | | | | | | | | 570 | | 25/wk | | | | | | | |
| Meals: 20/wk/yr | 640 | | 35/wk | | | | | | | | 640 | | 35/wk | | | | | | | |
| Continuous Registration | | | | | | 60 | 60 | | | | | | | | | 60 | 60 | | | |
| Thesis Binding (once) | | | | | | 4 | 4 | 4 | 4 | 4 | | | | | | 4 | 4 | 4 | 4 | 4 |
| Dissertation Fee (once) | | | | | | 30 | 30 | 30 | | | | | | | | 30 | 30 | 30 | | |
| Diploma Fee (once) | | | | | | 10 | 10 | 10 | 10 | 10 | | | | | | 10 | 10 | 10 | 10 | 10 |
| Late Registration Fee | 15 | 15 | 5 | | | 15 | 15 | | | | 15 | 15 | 5 | | | 15 | 15 | | | |

*Key: AC. YEAR or A.Y. = Academic Year
S.S. = Summer Session
F T = Full-time
P T = Part-time
25/c = $25 per credit hour

TABLE 1C

PRESENT TUITION AND FEES AT RHODE ISLAND COLLEGE

| 1974-75 FEES | IN-STATE | | | | | | | | | | OUT-OF-STATE | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | UNDERGRADUATE | | | | | GRADUATE | | | | | UNDERGRADUATE | | | | | GRADUATE | | | | |
| | MAIN CAMPUS | | | EXTENSION | | MAIN CAMPUS | | | EXTENSION | | MAIN CAMPUS | | | EXTENSION | | MAIN CAMPUS | | | EXTENSION | |
| RHODE ISLAND COLLEGE | AC. YEAR | | S.S. | A.Y. | S.S. | AC. YEAR | | S.S. | A.Y. | S.S. | AC. YEAR | | S.S. | A.Y. | S.S. | AC. YEAR | | S.S. | A.Y. | S.S. |
| | F T | P T | | | | F T | P T | | | | F T | P T | | | | F T | P T | | | |
| Required: | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| General Fee(Tuition) | 420 | 23/c | 23/c | 0 | 0 | 23/c | 23/c | 23/c | | | 420 | 23/c | 23/c | 0 | 0 | 23/c | 23/c | 23/c | | |
| Student Activity Fee | 40 | 3/c | | | | | | | | | 40 | 3/c | | | | | | | | |
| Student Athletic Fee | 14 | | | | | | | | | | 14 | | | | | | | | | |
| Student Union Fee | 22 | 7 | 5 | | | 7 | 7 | 5 | | | 22 | 7 | 5 | | | 7 | 7 | 5 | | |
| Dining Center Fee | 15 | 5 | 1 | | | 5 | 5 | 1 | | | 15 | 5 | 1 | | | 5 | 5 | 1 | | |
| Out-of-state Tuition (surcharge) | | | | | | | | | | | 685 | 14/c | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Total | 511 | 12+26/c | 6+23/c | 0 | 0 | 12+23/c | 12+23/c | 6+23/c | | | 1196 | 12+40/c | 6+23/c | 0 | 0 | 12+23/c | 12+23/c | 6+23/c | | |
| Conditional: | | | | | | | | | | | | | | | | | | | | |
| Application Fee (once) | 10 | 10 | | | | 10 | 10 | | | | 10 | 10 | | | | 10 | 10 | | | |
| Room Size 1 | 625 | | 22/wk | | | 625 | | 22/wk | | | 625 | | 22/wk | | | 625 | | 22/wk | | |
| Room Size 2 | 725 | | 25/wk | | | 725 | | 25/wk | | | 725 | | 25/wk | | | 725 | | 25/wk | | |
| Meals: 15/wk/yr | 685 | | | | | 685 | | | | | 685 | | | | | 685 | | | | |
| Applied Music Fee (per course) | 98 | | | | | | | | | | 98 | | | | | | | | | |
| Late Registration Fee | 5 | 5 | | | | 5 | 5 | | | | 5 | 5 | | | | 5 | 5 | | | |
| Continuing Student Fee | 10 | 10 | | | | | | | | | 10 | 10 | | | | | | | | |
| Graduation Fee (once) | | | | | | 15 | 15 | 15 | | | | | | | | 15 | 15 | 15 | | |

TABLE 10

PRESENT TUITION AND FEES AT RHODE ISLAND JUNIOR COLLEGE

| 1974-75 RHODE ISLAND JUNIOR COLLEGE | IN-STATE | | | | | | | | | | OUT-OF-STATE | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | UNDERGRADUATE | | | | | GRADUATE | | | | | UNDERGRADUATE | | | | | GRADUATE | | | | |
| | MAIN CAMPUS | | | EXTENSION | | MAIN CAMPUS | | | EXTENSION | | MAIN CAMPUS | | | EXTENSION | | MAIN CAMPUS | | | EXTENSION | |
| | AC. YEAR | | S.S. | A.Y. | S.S. | AC. YEAR | | S.S. | A.Y. | S.S. | AC. YEAR | | S.S. | A.Y. | S.S. | AC. YEAR | | S.S. | A.Y. | S.S. |
| | F T | P T | | | | F T | P T | | | | F T | P T | | | | F T | P T | | | |
| Required: | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| General Fee (Tuition) | 300 | 12.50/c | 12.50/c | | | | | | | | 300 | 12.50/c | 12.50/c | | | | | | | |
| Registration Fee | | 10 | 10 | | | | | | | | | 10 | 10 | | | | | | | |
| Student Activity Fee | 20 | | | | | | | | | | 20 | | | | | | | | | |
| Total | 320 | 10+12.50/c | 10+12.50/c | | | | | | | | 320 | 10+12.50/c | 10+12.50/c | | | | | | | |
| Conditional: | | | | | | | | | | | | | | | | | | | | |
| Application Fee (once) | 10 | 10 | | | | | | | | | 10 | 10 | | | | | | | | |
| Student Union Fee (Warwick only) | 20 | | | | | | | | | | 20 | | | | | | | | | |
| Insurance (med. & athletic programs only) | 6.50 | 6.50 | | | | | | | | | 6.50 | 6.50 | | | | | | | | |
| Laboratory Fee* (lab. courses only) | 15 | 15 | 15 | | | | | | | | 15 | 15 | | | | | | | | |
| Late Registration Fee | 10 | 10 | 10 | | | | | | | | 10 | 10 | 10 | | | | | | | |
| Late Scheduling Fee | 10 | 10 | 10 | | | | | | | | 10 | 10 | 10 | | | | | | | |

*Ranges from $5 to $15, for continuing students only

BEST COPY AVAILABLE

RHODE ISLAND PUBLIC HIGHER EDUCATION TUITION AND FEES, 1960-61 to 1974-75*

TABLE I

| | 1960-61 | 1961-62 | 1962-63 | 1963-64 | 1964-65 | 1965-66 | 1966-67 | 1967-68 | 1968-69 | 1969-70 | 1970-71 | 1971-72 | 1972-73 | 1973-74 | 1974-75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| U R I | | | | | | | | | | | | | | | |
| Undergraduate Tuition | 200 | 200 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 325 | 325 | 614 | 614 | 614 | 614 |
| Undergraduate Tuition & Fees[1] | 241 | 257 | 307 | 340 | 340 | 340 | 341 | 353 | 354 | 434 | 461 | 761 | 761 | 767 | 796.75 |
| Out-of-state Undergraduate Surcharge | 400 | 550 | 500 | 500 | 500 | 500 | 600 | 800 | 800 | 800 | 900 | 900 | 900 | 900 | 900 |
| Graduate Tuition | 10/c | 10/c | 10/c | 10/c | 10/c | 10/c | 10/c | 15/c | 360 | 550 | 550 | 630 | 630 | 630 | 630 |
| Graduate Tuition & Fees[2] | 10+10/c | 30+10/c | 30+10/c | 30+10/c | 10+10/c | 30+10/c | 30+10/c | 60+15/c | 390 | 580 | 580 | 660 | 670 | 680 | 680 |
| Out-of-state Graduate Surcharge | 10/c | 10/c | 10/c | 10/c | 10/c | 10/c | 10/c | 5/c | 360 | 110 | 110 | 120 | 120 | 120 | 120 |
| Room[3] | 380 | 380 | 380 | 380 | 380 | 475 | 475 | 490 | 490 | 520 | 550 | 600 | 650 | 650 | 750 |
| Board[4] | 400 | 400 | 400 | 500 | 500 | 500 | 450 | 500 | 500 | 540 | 540 | 600 | 600 | 640 | 730 |
| Room and Board | 780 | 780 | 780 | 880 | 880 | 975 | 925 | 990 | 990 | 1060 | 1060 | 1200 | 1250 | 1290 | 1480 |
| R I C | | | | | | | | | | | | | | | |
| Undergraduate Tuition | 50 | 75 | 137.50 | 200 | 200 | 200 | 200 | 200 | 250 | 300 | 300 | 420 | 420 | 420 | 420 |
| Undergraduate Tuition & Fees[5] | 75 | 115 | 182.50 | 245 | 245 | 245 | 245 | 270 | 320 | 370 | 370 | 490 | 490 | 495 | 511 |
| Out-of-state Undergraduate Surcharge | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 450 | 585 | 585 | 585 | 685 | 685 | 685 | 685 |
| Graduate Tuition & Fees[6] | 10/c | 10/c | 2+10/c | 2+10/c | 2+10/c | 2+10/c | 2+10/c | 2+15/c | 2+15/c | 2+20/c | 2+20/c | 10+23/c | 10+23/c | 10+23/c | 12 + 23/c |
| Out-of-state Graduate Surcharge | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Room[7] | NA | 375 | 375 | 375 | 375 | 375 | 375 | 375 | 375 | 475 | 475 | 575 | 600 | 650 | 725 |
| Board[8] | NA | 400 | 500 | 500 | 400 | 500 | 500 | 500 | 500 | 540 | 540 | 540 | 550 | 600 | 685 |
| Room and Board | NA | 775 | 875 | 875 | 775 | 875 | 875 | 875 | 875 | 1015 | 1015 | 1115 | 1150 | 1250 | 1415 |
| R I J C | | | | | | | | | | | | | | | |
| Tuition(both campuses) | NA | NA | NA | NA | 200 | 200 | 200 | 200 | 200 | 225 | 225 | 300 | 300 | 300 | 300 |
| Tuition & Fees at Prov. Campus[9] | NA | NA | NA | NA | 220 | 220 | 220 | 220 | 220 | 245 | 245 | 320 | 320 | 320 | 320 |
| Tuition and Fees at Warwick Campus[10] | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 340 | 340 | 340 |
| Out-of-State Surcharge | NA | NA | NA | NA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

*A composite for full-time students, during the academic year, on the main campus.

[1] Includes general fee, memorial union fee, student activity tax, student health fee (from 1970-71 to present), and accident and sickness insurance (required unless otherwise covered, from 1963-64 to present).

[2] Includes registration fee, student activities fee from 1961-62 until 1967-68, and graduate student association/assessment from 1967-68 to present. Does not include medical insurance.

[3] Undergraduate resident room size 2.

[4] 20 meals per week per year

[5] Includes general fee, student activity fee, dining center fee from 1961-62 to present, student union fee from 1967-68 to present, athletic fee in 1974-75. Does not include optional insurance

[6] Includes course fee per credit hour, dining center fee from 1962-63 to present, and student union fee from 1971-72 to present

[7] Most expensive resident room.

[8] 15 meals per week per year, except 19 in 1962-63 and 1963-64 and from 1965-66 until 1970-71.

[9] Includes general fee and student activity fee. Does not include insurance required in some programs unless otherwise covered.

[10] Includes general fee, student activity fee, and student union fee.

TABLE 3

STUDENT CHARGES RELATIVE TO RHODE ISLAND PER CAPITA INCOME, 1960-61 TO 1975-76

| Academic Years | 1960-61 | 1961-62 | 1962-63 | 1963-64 | 1964-65 | 1965-66 | 1966-67 | 1967-68 | 1968-69 | 1969-70 | 1970-71 | 1971-72 | 1972-73 | 1973-74[2] | 1974-75[2] | 1975-76[2] |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R. I. Per Capita Income[1] | 2288 | 2414 | 2513 | 2652 | 2814 | 3054 | 3299 | 3567 | 3741 | 3960 | 4190 | 4513 | 4841 | 5176 | 5535 | 5919 |
| N. E. Per Capita Income | 2499 | 2616 | 2691 | 2814 | 2986 | 3219 | 3458 | 3748 | 4045 | 4304 | 4479 | 4774 | 5212 | -- | -- | -- |
| U.S. Per Capita Income | 2274 | 2381 | 2469 | 2603 | 2785 | 3001 | 3188 | 3457 | 3733 | 3966 | 4195 | 4549 | 5041 | -- | -- | -- |
| All of the following are shown as a percentage of R. I. per capita income:[3] | | | | | | | | | | | | | | | | |
| University of Rhode Island | | | | | | | | | | | | | | | | |
| Undergraduate Tuition | 8.74 | 8.29 | 9.85 | 9.43 | 8.88 | 8.19 | 7.58 | 7.01 | 6.68 | 8.21 | 7.76 | 13.61 | 12.68 | 11.86 | 11.09 | 11.93[3] |
| Undergraduate Tuition & Fees | 10.53 | 10.65 | 12.22 | 12.82 | 12.08 | 11.13 | 10.34 | 9.90 | 9.46 | 10.96 | 11.00 | 16.86 | 15.72 | 14.82 | 14.39 | 15.0[illegible] |
| Graduate Tuition | 7.87 | 7.46 | 7.16 | 6.79 | 6.40 | 5.89 | 5.46 | 7.57 | 9.62 | 13.89 | 13.13 | 13.96 | 13.01 | 12.17 | 11.38 | 12.24 |
| Graduate Tuition & Fees | 8.30 | 8.70 | 8.36 | 7.92 | 6.75 | 6.88 | 6.37 | 9.25 | 10.43 | 14.65 | 13.84 | 14.62 | 13.84 | 13.14 | 12.29 | 13.08 |
| Rhode Island College | | | | | | | | | | | | | | | | |
| Undergraduate Tuition | 2.19 | 3.11 | 5.47 | 7.54 | 7.11 | 6.55 | 6.06 | 5.61 | 6.68 | 7.58 | 7.16 | 9.31 | 8.68 | 8.11 | 7.59 | 8.51 |
| Undergraduate Tuition & Fees | 3.28 | 4.76 | 7.26 | 9.24 | 8.71 | 8.02 | 7.43 | 7.57 | 8.55 | 9.34 | 8.84 | 10.86 | 10.12 | 9.56 | 9.23 | 10.05 |
| Graduate Tuition | 7.87 | 7.46 | 7.16 | 6.79 | 6.40 | 5.89 | 5.46 | 7.57 | 7.22 | 9.09 | 8.59 | 9.17 | 8.55 | 8.00 | 7.48 | 8.40 |
| Graduate Tuition & Fees | 7.87 | 7.46 | 7.24 | 6.86 | 6.47 | 5.96 | 5.52 | 7.63 | 7.27 | 9.14 | 8.64 | 9.40 | 8.76 | 8.19 | 7.70 | 8.60 |
| Rhode Island Junior College | | | | | | | | | | | | | | | | |
| Tuition | -- | -- | -- | -- | 7.11 | 6.55 | 6.06 | 5.61 | 5.35 | 5.68 | 5.37 | 6.65 | 6.20 | 5.80 | 5.42 | 6.08 |
| Tuition & Fees | -- | -- | -- | -- | 7.82 | 7.20 | 6.67 | 6.17 | 5.88 | 6.19 | 5.85 | 7.09 | 6.61 | 6.1[illegible] | 5.78 | 6.42 |

[1]Per capita incomes shown for calendar year in which academic year ends; e.g., per capita income for 1961 is compared with charges during academic year 1960-61. Source: Survey of Current Business, August, 1974, Table 2, Page 33.

[2]Per capita income for Rhode Island projected using a 6.93% annual increase.

[3]Projected charges for 1975-76 are based on tuition increase of 15% for URI and 20% for RIC and RIJC with other fees constant.

TABLE 4A

UNDERGRADUATE TUITION AND FEES AT NEW ENGLAND AND MIDDLE ATLANTIC STATE UNIVERSITIES FOR 1974-75

| State University | Tuition Rank Order | Tuition | Other Required Fees | Total Tuition And Fees | Out-of-State Surcharge |
|---|---|---|---|---|---|
| Penn State University | 1 | $960.00 | $ 50.00 | $1010.00 | $1200.00 |
| University of Vermont | 2 | 950.00 | 161.50 | 1111.50 | 1790.00 |
| University of New Hampshire | 3 | 900.00 | 81.70 | 981.70 | 1300.00 |
| State University of New York | 4 | 800.00(UD*)<br>650.00(LD*) | 89.00<br>89.00 | 889.00(UD*)<br>739.00(LD*) | 550.00(UD*)<br>425.00(LD*) |
| University of Delaware | 5 | 720.00 | 89.00 | 809.00 | 1060.00 |
| University of Maryland | 6 | 698.00 | 10.00 | 708.00 | 1150.00 |
| UNIVERSITY OF RHODE ISLAND | 7 | 614.00 | 182.75 | 796.75 | 900.00 |
| Rutgers (New Jersey) | 8 | 585.00 | 140.00 | 725.00 | 585.00 |
| University of Maine | 9 | 575.00 | 12.00 | 587.00 | 1175.00 |
| University of Connecticut | 10 | 350.00 | 350.00 | 700.00 | 1000.00 |
| University of Massachusetts | 11 | 300.00 | 250.00 | 550.00 | 600.00 |

*UD = Upper Division, Juniors and Seniors
LD = Lower Division, Freshmen and Sophomores

TABLE 4B

GRADUATE TUITION AND FEES AT NEW ENGLAND AND MIDDLE ATLANTIC STATE UNIVERSITIES FOR 1974-75

| State University | Tuition Rank Order | Tuition[1] | Other Required Fees | Total Tuition and Fees | Out-of-State Surcharge |
|---|---|---|---|---|---|
| Penn State University | 1 | $960.00 | -0- | $960.00 | $1200.00 |
| Rutgers (New Jersey) | 2 | 840.00 | 76.00 | 916.00 | -0- |
| University of Maryland | 3 | 810.00 | -0- | 810.00 | 486.00 |
| University of New Hampshire | 4 | 756.00 | 17.50 | 773.50 | 954.00 |
| University of Vermont | 5 | 720.00 | 7.50 | 727.50 | 1350.00 |
| University of Delaware | 6 | 720.00 | -0- | 720.00 | 1060.00 |
| UNIVERSITY OF RHODE ISLAND | 7 | 630.00 | 50.00 | 680.00 | 120.00 |
| State University of New York | 8 | 600.00 | 12.50 | 612.50 | 150.00 |
| University of Maine | 9 | 450.00 | 10.00 | 460.00 | 1116.00 |
| University of Massachusetts | 10 | 405.00 | 70.00 | 475.00 | 405.00 |
| University of Connecticut | 11 | 350.00 | 350.00 | 700.00 | 1000.00 |

[1]Where tuition is charged per credit hour, the values have been converted to a RRPM definition of full-time equivalent by multiplying the cost per credit hour by 18.

TABLE 5A

UNDERGRADUATE TUITION AND FEES AT NEW ENGLAND AND MIDDLE ATLANTIC PUBLIC FOUR-YEAR COLLEGES, 1974-75

| College | Tuition Rank Order | Tuition | Other Required Fees | Total Tuition and Fees | Out-of-State Surcharge |
|---|---|---|---|---|---|
| West Chester (Pa.) | 1 | $930.00[1] | $ 68.00 | $998.00 | $450.00 |
| State University of New York (N.Y.) | 2 | 800.00(UD)[2]<br>650.00(LD) | 89.00<br>89.00 | 889.00(UD)<br>739.00(LD) | 440.00(UD)<br>425.00(LD) |
| Kutztown (Pa.) | 3 | 750.00 | 80.00 | 830.00 | 750.00 |
| Castleton (Vt.) | 4 | 620.00 | 180.00 | 800.00 | 1230.00 |
| Plymouth (N.H.) | 5 | 617.00 | 87.00 | 704.00 | |
| Trenton State (N.J.) | 6 | 535.00 | 94.00 | 629.00 | 535.00 |
| RHODE ISLAND COLLEGE | 7 | 420.00 | 91.00 | 511.00 | 685.00 |
| Central (Conn.) | 8 | 300.00 | 301.00 | 601.00 | 900.00 |
| Eastern (Conn.) | 8 | 300.00 | 150.00 | 450.00 | 675.00 |
| Southern (Conn.) | 8 | 300.00 | 150.00 | 450.00 | 800.00 |
| Bridgewater State (Mass.) | 8 | 300.00 | 110.00 | 410.00 | 300.00 |
| Boston State (Mass.) | 8 | 300.00 | 69.00 | 369.00 | 300.00 |
| Towson State (Md.) | 9 | 200.00 | 396.00 | 596.00 | 450.00 |
| Delaware State(Del.) | 10 | 0 | 352.18 | 352.18 | 575.00 |

[1]Where tuition is charged per credit hour, the values have been converted to a RRPM definition of full-time equivalent by multiplying the cost per credit hour by 30.

[2]UD = Upper Division, Juniors andSeniors
LD = Lower Division, Freshmen and Sophomores

TABLE 5B

GRADUATE TUITION AND FEES AT NEW ENGLAND AND MIDDLE ATLANTIC PUBLIC FOUR-YEAR COLLEGES, 1974-75

| College | Tuition Rank Order | Tuition[1] | Other Required Fees | Total Tuition and Fees | Out-of-State Surcharge |
|---|---|---|---|---|---|
| West Chester (Pa.) | 1 | $756.00 | 0 | $756.00 | $ 72.00 |
| Kutztown (Pa.) | 2 | 750.00 | $ 20.00 | 770.00 | 72.00 |
| Towson State (Md.) | 3 | 684.00 | 39.00 | 723.00 | 0 |
| Trenton State (N.J.) | 4 | 630.00 | 72.00 | 702.00 | 0 |
| Keene (N.H.) | 5 | 617.00 | 122.00 | 739.00 | 933.00 |
| Plymouth (N.H.) | 5 | 617.00 | 122.00 | 739.00 | 933.00 |
| Castleton (Vt.) | 6 | 468.00 | 5.00 | 473.00 | 918.00 |
| RHODE ISLAND COLLEGE | 7 | 414.00 | 12.00 | 426.00 | 0 |
| Boston State (Mass.) | 8 | 396.00 | 30.00 | 426.00 | 126.00 |
| Central (Conn.) | 9 | 300.00 | 296.00 | 569.00 | 900.00 |
| Eastern (Conn.) | 9 | 300.00 | 150.00 | 450.00 | 800.00 |
| Bridgewater State (Mass.) | 9 | 300.00 | 65.00 | 365.00 | 300.00 |

[1]Where tuition is charged per credit hour, the values have been converted to a RRPM definition of full-time equivalent by multiplying the cost per credit hour by 18.

TABLE 6

TUITION AND FEES AT NEW ENGLAND AND MIDDLE ATLANTIC PUBLIC JUNIOR AND COMMUNITY COLLEGES, 1974-75[1]

| College | Tuition Rank Order | Tuition | Other Required Fees | Total Tuition & Fees | Out-of-State Surcharge |
|---|---|---|---|---|---|
| Adirondak Comm. (N.Y.) | 1 | $550.00 | $ 56.00 | $606.00 | $550.00 |
| Genesee Comm. (N.Y.) | 1 | 550.00 | 50.00 | 600.00 | 550.00 |
| Westchester Comm. (N.Y.) | 2 | 500.00 | 100.00 | 600.00 | 500.00 |
| Montgomery County Comm. (Pa.) | 3 | 460.00 | 40.00 | 500.00 | 1020.00 |
| Schenectedy County Comm. (N.Y.) | 4 | 420.00 | 85.00 | 505.00 | 490.00 |
| Harrisburg Area Comm.(Pa.) | 5 | 400.00 | 13.00 | 413.00 | 1300.00 |
| Northampton Area Comm. (Pa.) | 5 | 400.00 | 0 | 400.00 | 992.00 |
| Brookdale Comm. (N.J.) | 5 | 400.00 | 29.00 | 429.00 | 400.00 |
| Atlantic Comm. (N.J.) | 5 | 400.00 | 58.00 | 458.00 | 400.00 |
| Bergen Conn. (N.J.) | 5 | 400.00 | 30.00 | 430.00 | 400.00 |
| Delaware Technical Comm. (Del.) | 6 | 390.00 | 0 | 390.00 | 462.00 |
| Burlington Comm. (N.J.) | 7 | 350.00 | 45.00 | 395.00 | 1050.00 |
| Camden County Comm.(N.J.) | 8 | 300.00 | 50.00 | 350.00 | 980.00 |
| RHODE ISLAND JUNIOR(R.I.) | 8 | 300.00 | 40.00 | 340.00 | 0 |
| Massasoit Comm. (Mass.) | 8 | 300.00 | 35.00 | 335.00 | 300.00 |
| Springfield Technical Comm. (Mass.) | 8 | 300.00 | 40.00 | 340.00 | 300.00 |
| Northern Essex Comm. (Mass.) | 8 | 300.00 | 45.00 | 345.00 | 300.00 |
| Holyoke Comm. (Mass.) | 8 | 300.00 | 35.00 | 335.00 | 300.00 |
| Cape Cod Comm. (Mass.) | 8 | 300.00 | 40.00 | 340.00 | 300.00 |
| All Connecticut Comm. | 9 | 200.00 | 66.00 | 266.00 | 650.00 |

[1]Maine, New Hampshire, and Vermont do not have a comparable system of public junior or community colleges and are not included.

COMPARISON OF TUITION TO UNIT FULL COSTS, 1973-74

TABLE 7

| | U R I | | | R I C | | | R I J C |
|---|---|---|---|---|---|---|---|
| | LD | UD | GD | LD | UD | GD | LD |
| (1) FTE Enrollment | 4161 | 4128 | 1675 | 2452 | 1918 | 1484 | 3690 |
| (2) Credit Hours Produced | 156,883 | 96,702 | 25,080 | 76,285 | 58,724 | 22,783 | 110,713 |
| (3) Full Costs Per FTE (FTE Unit Full Costs) | $1,699 | $2,795 | $4,417 | $1,994 | $2,504 | $1,452 | $2,312 |
| (4) Full Costs Per Credit Hour (Credit Hour Unit Full Costs) | $52.65 | $109.94 | $283.21 | $62.82 | $89.15 | $78.71 | $77.05 |
| (5) Tuition | $614 | $614 | $630 | $420 | $420 | $414 | $300 |
| (6) Ratio of Tuition to FTE Unit Full Costs | 36% | 22% | 14% | 21% | 17% | 29% | 13% |
| (7) Calculated Revenues (1) x (5) | $2,554,854 | $2,534,592 | $1,055,250 | $1,029,840 | $805,560 | $614,376 | $1,107,000 |

Source: RRPM 1 6, using cost finding principles; capital expenditures are allocated by levels for URI but not for RIC or RIJC.

TABLE 8

IMPACT ON REVENUES OF ALTERNATIVE RATIOS OF TUITION TO FTE UNIT FULL COSTS, 1973-74

| | URI | | | | | | RIC | | | | | | RIJC | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | LD | | UD | | GD | | LD | | UD | | GD | | LD | |
| | Fees | Revenues* | Fees | Revenues | Fees | Revenues | Fees | Revenues | Fees | Revenues | Fees | Revenues | Fees | Revenues |
| 1% of UFC | 17 | 70,737 | 28 | 115,584 | 44 | 73,700 | 20 | 49,040 | 25 | 47,950 | 15 | 21,780 | 23 | 84,870 |
| 5% of UFC | 85 | 353,685 | 140 | 577,920 | 220 | 368,500 | 100 | 245,200 | 125 | 239,750 | 75 | 108,900 | 115 | 424,350 |
| 10% of UFC | 170 | 707,370 | 280 | 1,155,840 | 440 | 737,000 | 200 | 490,400 | 250 | 479,500 | 150 | 217,800 | 230 | 848,700 |
| 15% of UFC | 255 | 1,061,055 | 420 | 1,733,760 | 660 | 1,105,500 | 300 | 735,600 | 375 | 719,250 | 225 | 326,700 | 345 | 1,273,050 |
| 20% of UFC | 340 | 1,414,740 | 560 | 2,311,680 | 880 | 1,474,000 | 400 | 980,800 | 500 | 959,000 | 300 | 435,600 | 460 | 1,697,400 |
| 25% of UFC | 425 | 1,768,425 | 700 | 2,889,600 | 1100 | 1,842,500 | 500 | 1,226,000 | 625 | 1,198,750 | 375 | 544,500 | 575 | 2,121,750 |
| 30% of UFC | 510 | 2,122,110 | 840 | 3,467,520 | 1320 | 2,211,000 | 600 | 1,471,200 | 750 | 1,438,500 | 450 | 653,400 | 690 | 2,546,100 |
| 35% of UFC | 595 | 2,475,795 | 980 | 4,045,440 | 1540 | 2,579,500 | 700 | 1,716,400 | 875 | 1,678,250 | 525 | 762,300 | 805 | 2,970,450 |
| 40% of UFC | 680 | 2,829,480 | 1120 | 4,623,360 | 1760 | 2,948,000 | 800 | 1,961,600 | 1000 | 1,918,000 | 600 | 871,200 | 920 | 3,394,800 |
| 45% of UFC | 770 | 3,183,165 | 1260 | 5,201,280 | 1980 | 3,316,500 | 900 | 2,206,800 | 1125 | 2,157,750 | 675 | 980,100 | 1035 | 3,819,150 |
| 50% of UFC | 850 | 3,536,850 | 1400 | 5,779,200 | 2200 | 3,685,000 | 1000 | 2,452,000 | 1250 | 2,397,500 | 750 | 1,089,000 | 1150 | 4,243,500 |

*Revenues = (X% of UFC) x (FTE); assuming constant enrollments.

Heavy lines approximate fees and calculated revenues as shown in Table 7.

# III.

## TUITION POLICY ALTERNATIVES

### A. Introduction

A study of tuition and fee policy must consider the rationale for public support of higher education. The principal justification for using public funds to support higher education is that the community feels a responsibility to widen opportunities for its citizens to educate themselves in this fashion. Underlying this sense of responsibility is the belief that both society and the individual benefit from public support for higher education.

Stressing one extreme, if society receives the primary benefit from an individual's participation in education beyond secondary school, then one could argue that the charge to the student should be zero. In this case, tuitions would be nonexistent and the State would pay the complete cost for an individual to attend college. At the other extreme, one could argue that the individual is primary benefactor of the education received and, therefore, the individual student should bear the full cost of the education received. Here the full cost of the education received would be paid by the individual. In actuality, no such dichotomy exists, both the individual and society benefits from citizens' obtaining more education. Therefore, the tuition charged to the individual or the subsidy provided by the State should reflect both individual and social benefits, as well as other variables, including public ability and willingness to support institutions of higher education, the general financial situation of the State, the economy, and the competition of higher education with other social needs for the tax dollars.

Accepting this general proposition, ultimate decisions regarding levels of tuition to be paid should reflect points between the two extremes posed here. This section of the report will provide a range of tuition policy alternatives

and provide arguments for and against options which represent various tuition levels between the extreme of the individual student's paying the full cost of his or her education and society's paying the full cost of higher education instruction. This discussion must take place with an understanding that the tuition policies may vary with time and circumstance.

At the time the Committee finished its deliberations, rapidly increasing costs of education threatened to overshadow all other considerations. In the face of these rising costs, tuition policies and charges may have to change radically during the course of the next year. If, as seems entirely possible, the rising costs of higher education may place a serious constraint not only on the lower income groups, but also on the middle income categories of society, then the decision on the level of tuition is the one point in higher education enterprise where public policy officials can have a direct and immediate impact on the student's cost of higher education.

B. Tuition Policy Options

The number of options and combinations of options for pricing public higher education are enormous. Given the time and resources available, the Committee limited its discussion to what it considered the major alternatives. Therefore, the options that follow, as well as arguments for and against each, are not all-inclusive. In each case, a brief statement explaining the option is given, followed by some of the major arguments as they relate to both the equitable treatment of different students and the efficient use of resources.

1. TUITION CHARGED AS A PROPORTION OF THE AVERAGE CITIZEN'S ABILITY TO PAY

Explanation

This policy would set tuitions at or below some predetermined proportion of a measure of average ability to pay, such as Rhode Island per

capita personal income. Thus, tuition charges would rise no more than the state's per capita income (average ability to pay) rises.

Arguments For

Tying tuition to per capita income ideally would ensure that the financial burden on students and their families for obtaining higher education would not increase over time. The evidence of the last decade (Table 3, Page 8 ) suggests that this burden has been increasing; and if this trend continues, fewer students will be able or willing to shoulder this burden, thus depriving both individuals and society the potential benefits of higher education.

Arguments Against

Selecting the proportion would be arbitrary. If it were too high, it would exclude an excessive number of students; if it were too low, it would subsidize some students who would be willing and able to pay more, thus not using public resources most effectively.

The financial burden of higher education is the total cost to the student, including foregone income. Tuition charges are only a small part of the total. It is possible for tuition to fall substantially, even to zero, while other costs rise, leaving the burden virtually unchanged.

2. TUITION CHARGED ACCORDING TO THE INDIVIDUAL STUDENT'S ABILITY TO PAY

Explanation

This policy would charge students with little financial ability a negative, zero, or low tuition while charging students of greater financial ability a higher rate. Ability might be measured largely by income, and the rates could be graduated by income categories.

Arguments For

Tuition discrimination on the basis of financial need enhances the stated

policy of equal access and opportunity by lessening the financial obstacles to low income students. Further, some evidence indicates that the education of low income students provides a relatively larger increase in social benefits than does the education of high income students.* Therefore, the public subsidy (less than full-cost tuition) should be relatively greater for low income students.

Arguments Against

The intent of this policy could be achieved much more efficiently and equitably by altering existing financial aid programs. Constructing an appropriately graduated tuition scale would be highly arbitrary. Implementing the policy might require each student to submit an annual needs analysis, the cost of which could exceed any gains in equity and efficiency.

3. TUITION CHARGED ACCORDING TO THE STUDENT'S PROGRAM OF STUDY

This policy means that a different tuition would be charged for each program of study offered by the institution(s).

Arguments For

Programs deemed to provide greater social benefits could be subsidized more heavily through lower tuition rates, while those programs providing lesser amounts of social benefits would carry higher tuition.

Thus, a high degree of efficiency in the use of limited State resources could be attained by subsidizing most those programs of greater social

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*Davis, J. Ronnie. "The Social and Economic Externalities of Education." In Economic Factors Affecting the Financing of Education, R. L. Johns, I. J. Goffman, K. Alexander, and D. H. Stoller (eds.). Gainsville: National Educational Finance Project, 1970.

Keniston, Kenneth and Mark Gerzon. "Human and Social Benefits." Universal Higher Education: Costs and Benefits. Washington: American Council on Education, 1971.

Weisbrod, Burton A. External Benefits of Public Education: An Economic Analysis. Princeton: Princeton University, Industrial Relations

value, thus reducing the subsidy to programs of lesser value to society. In addition, students would now have an incentive to move into those fields the policymakers feel will be understaffed or will provide society with the greatest benefits, and avoid fields facing an oversupply or of little social value.

On the other hand, the policy could be implemented so that high cost programs would carry higher tuition while low cost programs would have lower tuition. By having a program tuition differential based on costs, students in low cost programs would no longer subsidize those students in high cost programs.

Arguments Against

Determining the social value of each program in order to construct a graduated tuition scale would be extremely difficult. If the tuition is based on program costs, then student choice, opportunity, and access are seriously inhibited by forcing low income students into low cost, low tuition programs and reserving high cost programs for the affluent students. Additionally, the administrative implementation would be difficult and costly as students change programs, since many courses can be counted toward a multitude of different programs, each with a different cost. This would require sets of rebates or supplemental charges for each change of program.

4. TUITION CHARGED ALL STUDENTS ON A CREDIT HOUR BASIS

Explanation

This policy would mean that all students (graduate, undergraduate, full-time, and part-time) would be charged on a credit hour basis.

Arguments For

This option would resolve the tuition distinction between full-time and part-time students. In addition, revenues are more closely related to

credit hours generated than to headcount.

Arguments Against

The cost to the student will be higher in those programs requiring more credit hours than is required in others, thus discouraging students from pursuing higher credit hour and higher cost programs. Further, this policy change may tend to lengthen the average time a student takes to complete a program by lessening the tuition advantage to full-time students. This would reduce the incentive for taking enrichment courses beyond the minimum program requirements.

5. TUITION CHARGED AT ALL PUBLIC INSTITUTIONS WOULD BE THE SAME

Explanation

The same tuition would be charged at all of the state's public higher education institutions.

Arguments For

Charging the same tuition at the State's institutions would move toward equalizing student opportunity, access and choice. Further, it would avoid the tendency to stratify enrollment populations according to income classes, a situation which is considered undesirable in our society for educational, social, and political reasons.

Arguments Against

This policy would not recognize the differences among institutions, in regard to their individual roles, missions, programs, and services.

6. TUITION CHARGED ACCORDING TO THE STUDENT'S LEVEL

Explanation

The tuition charged would depend on the level of the student:

a. undergraduate--graduate, or

b. lower division--upper division--graduate, or

c. lower division--upper division--masters--postmasters.

Arguments For

Different amounts of social benefits may be associated with different levels of instruction. Therefore, the State should subsidize the level of instruction yielding greater social benefits more heavily than those levels with fewer social benefits. If it is assumed that students at lower instructional levels provide more social benefits than do students at higher levels, tuition for lower level students should be less than that for higher level students. If it is assumed that it is the higher levels that yield greater social benefits, tuition at higher levels should be less than at lower levels. Finally, if it is assumed that social benefits do not vary by the student's level of instruction, tuition should be the same at each level. In addition, some levels of instruction are less expensive to provide than others. Thus, in the absence of tuition differentials by levels, students in one level in effect are subsidizing students in other levels.

Arguments Against

Reaching a consensus as to the relative social and individual benefits associated with and among each student level is difficult and complex, if not impossible.

7. TUITION CHARGED AS A PROPORTION OF INSTRUCTIONAL COST

Explanation

The tuition that is charged to students is set as a percent of the average cost of providing the instruction. As instructional cost rises, tuition rises proportionately.

Arguments For

Instruction provides both individual benefits and social benefits. Each benefit recipient should contribute to meeting costs in the same proportion

as the benefits received. That is, if the individual receives half of the benefits, and society receives half, the individual should pay half the costs, and society half.

Arguments Against

The determination of the relative social and individual benefits is filled with uncertainties and inaccuracies. The determination of "true" unit full instructional costs is complex, arbitrary, and imprecise. It is further complicated by the desirability of informing students in advance of the tuition, and this requires a method of predicting costs which uses data that constantly lag behind the time period under consideration. Experience with using a predictive tool such as RRPM has been limited and the results have been unreliable. High cost programs at one level that yield benefits to other levels would be discouraged, thus, causing losses to students, the institution, and society.

8. TUITION POLICY BASED ON SOME COMBINATION OF THE SEVEN OPTIONS DISCUSSED ABOVE

IV.

## RECOMMENDATIONS

A. Tuition

The Committee recommends the following technical tuition policies:

1. That the term "tuition" be officially adopted to replace the current term "general fee."

   This will bring the terminology used in Rhode Island into line with most other states, the federal government, and private institutions.

2. That the term "out-of-state surcharge" be officially adopted to designate the additional charge required for non-residents of Rhode Island, to replace the current terms "tuition" and/or "out-of-state tuition."

   This will clarify the purpose of this item and avoid misunderstandings connected with adopting Recommendation #1 above.

3. That an out-of-state surcharge be required of all non-residents of Rhode Island at all public institutions, with exceptions only for interstate reciprocal agreements, and that rates be applied to both part-time and full-time students.

B. Other Fees

Fees and charges other than tuition and out-of-state surcharges do not contribute to the costs of instruction and are not necessarily institutional charges. They are required for the initiation, operation, and maintenance of non-instructional services (e.g., housing, dining services, etc.) and the financing of student organizations and activities. Therefore, they should be considered separately from tuition and out-of-state surcharges. Further, the amount or rate of these other fees should be determined with the recommendations of the individual institution involved, and will undoubtedly differ among the institutions.

V.

## MINORITY REPORT

The Report fails to address itself to two important and related questions: First. what are the shortcomings and problems of the existing tuition and fee structure; and, second, what specific steps should be taken to minimize or correct the problems?

The two unanswered questions are related to failure to recognize and accept the function of tuition and fees. Tuition is the price of instruction, and other fees are prices of specific non-instructional services. Prices serve to allocate scarce resources and ration goods and services to the extent that they are related to the costs to society of providing the services. Without a clear understanding of this relationship of costs to prices, identifying pricing problems and then recommending solutions is impossible.

Unfortunately, to the present time tuition and fees at the public institutions apparently have been regarded as taxes on students (and their families), rather than as prices. Their functions seem to have been limited to raising revenue for institutions and requiring a measure of financial commitment from the student. Tuition charges have had little or no systematic relationship to instructional costs. This is clearly seen in Table 7. In 1973-74 the price of instruction (tuition) that was charged a URI graduate student was only 14% of average instructional costs, but a RIC graduate student had to pay 29% of costs in tuition. Likewise, the tuition for the first two years of undergraduate instruction at RIC was 21% of costs, but 36% of costs for the same years at the University. Out-of-state tuition charges are even more disparate and inconsistent. Consequently, problems relating both to efficient use of resources (e.g., State funds) and the equitable treatment of students are created. Yet, when the institution's revenues fall short of need, flat-rate

increases in tuition of 15% and 20% are assessed, which compounds the problems of efficiency and equity.

Similar problems are not as significant with other fees within each institution because the price (fee) is much more closely related to costs. However, inconsistencies among the institutions in the use of these fees causes similar problems.

Given the understanding of the purpose of tuition and fees, the policymaker can focus on the crucial question: What relationship should price have to costs?

To the extent that all benefits of the service go directly to the student (e.g., room board, health services, student union, automobile use, etc.), all of the costs should be borne by the student and the price (fee) should equal the full cost. However, to the extent that substantial benefits of the service go to the community (e.g., instruction), a proportion of the costs equivalent to social benefits should be borne by society through less than full cost tuition to all students. The best estimate of social benefits of instruction then determines tuition charges. For instance, if social benefits of instruction are deemed to outweigh personal benefits by 3 to 1, then tuition is set at 25% of instructional costs. If social benefits are considered to vary by level of instruction, then the proportion of each level's costs borne by the student should vary accordingly. If instruction purchased by out-of-state students is felt to provide the community with fewer social benefits than instruction for Rhode Island residents, then the out-of-state student should pay a larger proportion of costs than the resident.

Finally, since both society and the individual should pay for the benefits they receive, it follows that the more services (and benefits) received, the more they should pay. Hence, the more instruction the student receive , the more he or she should pay. Instruction is produced on a credit hour basis; therefore, the price of instruction should be related to credit hours. For example, if some instruction programs require more credit hours than others, the total amount that students in these programs pay (price x number of credit hours)

should be proportionately greater since they are receiving more instruction, and presumably more benefits. Likewise, if a student does not attend classes on campus, he or she should not pay for services not received, such as food services, student union, automobile parking, health center, etc.

Once the basic pricing principles are accepted and the cause of efficiency and equity problems are identified, specific tuition and fee policy recommendations can be offered to correct the problem, such as:

1. Tuition should be set at 25% of instructional cost at each level of instruction at each institution for Rhode Island residents.
2. The levels of instruction should be defined as:
   A. Lower division undergraduate (first 60 credit hours)
   B. Upper division undergraduate (credit hours beyond 60 to baccalaureate degree)
   C. Masters level graduate (credit hours beyond baccalaureate degree to master's degree, or equivalent)
   D. Post-masters level graduate (credit hours beyond master's degree, or equivalent)

   This policy implies that social benefits are in a 3 to 1 ratio to personal benefits, with no distinctions among levels of instruction. Since the existing proportions vary widely from 25%, this policy should be phased-in over a period of years to lessen severe disruption in enrollments, programs, faculty, etc. The following schedule is recommended.

| Level and Institution | Tuition as a Proportion of Projected Unit Full Costs in: 1975-76 | 1976-77 | 1977-78 | 1978-79 |
|---|---|---|---|---|
| URI | | | | |
| Lower Div. | 32% | 28% | 25% | 25% |
| Upper Div. | 24% | 25% | 25% | 25% |
| Grad. Div. | 17% | 20% | 23% | 25% |

| Level and Institution | Tuition as a Proportion of Projected Unit Full Costs in: 1975-76 | 1976-77 | 1977-78 | 1978-79 |
|---|---|---|---|---|
| RIC | | | | |
| Lower Div. | 23% | 25% | 25% | 25% |
| Upper Div. | 20% | 23% | 25% | 25% |
| Grad. Div. | 27% | 25% | 25% | 25% |
| RIJC | | | | |
| Lower Div. | 16% | 19% | 22% | 25% |

The graduate divisions at RIC and URI should be divided between masters level and post-masters level as soon as possible and phased in appropriatly.

3. Tuition should be set at 50% of instructional cost at each level of instruction at each institution for out-of-state students, with exceptions only for interstate reciprocal agreements.

   That is, an out-of-state tuition surcharge equal to tuition (25% of costs) should be added for non-Rhode Islanders. This policy should likewise be phased-in over the next four years.

   This policy implies that society only receives half as many benefits from the instruction of an out-of-state student as compared to that of an in-state student. That is, the social and personal benefits are equal, thus the out-of-state student and the State each will pay one half of the costs.

4. Tuition and the out-of-state surcharge should be charged all students at all institutions on a credit hour basis.

5. The tuition charged per credit hour for instruction in the summer sessions should be the same as that charged during the academic year.

   Since the instructional unit is the same in both circumstances, no tuition differential should exist between summer session and the academic year.

6. The out-of-state tuition surcharge in the summer session should be the same as the out-of-state surcharge during the academic year.
7. The non-instructional services provided by the institutions which yield no significant social benefits should be paid for totally by the users. To the extent that all three institutions are providing the same services, the same fees (not necessarily at the same rate or level) should be charged and a standard refund policy be adopted. The rate or level should always be sufficient to cover 100% of the unit full cost of providing the service at each institution.
8. Non-instructional costs should not be included in tuition, but all instructional costs should be included. For example, registration and matriculation costs are directly related to instruction and should be included in tuition charges, but intercollegiate athletic and student automobile usage costs are not directly related to instruction and should be charged separately from tuition.

   Part-time students who receive less than the full benefits of the services should pay only for the proportion of benefits they receive, and should be charged on a credit hour basis.

   Students who do not attend classes on campus, and thus receive none of the benefits should pay none of the costs.
9. For clarity of public information and administrative simplicity specific fees should be kept to a minimum by combining as many as possible. The further proliferation of specific fees should be avoided.
10. Finally, it is recognized that there are many students who are unable to pay the tuition and fees. In order to assure more equal access and opportunity, adequate financial assistance from State funds must be provided these students through a wide variety of aid programs, including

a system of partial and/or complete tuition and fee waivers administered by the individual institutions. In this regard, no increases in tuition and/or fees, or changes in tuition and fee policies that increase student costs should be made without concurrent additions to student financial aid funds sufficient to at least maintain existing enrollment levels.

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